

Key Vote



Matt B. Kibbe, President

KEY VOTE “NO” ON H.R. 4872 THE “RECONCILIATION ACT OF 2010”

March 25, 2010

Dear Representative:

On behalf of hundreds of thousands of FreedomWorks members nationwide, and the more than 300,000 people who signed our NoHealthCareReconciliation.com petition, I urge you to VOTE NO on H.R. 4872, the Reconciliation Act of 2010. The reconciliation bill that you get to vote on again makes the terrible health care legislation recently enacted even worse with more job killing tax hikes, harsher penalties, and new government bureaucracies.

The reconciliation bill also builds a massive new student loan bureaucracy by taking over the private aspects of the student loan industry. This move will put tens of thousands of Americans out of work in the private sector and adds more government employees that the shrinking private sector must pay for. And, this shift is supposed to happen by next semester, so students and families can expect to feel the overbearing costs of bigger government almost immediately.

A look at the proposed “fix” to the special deal given to Nebraska to ensure the vote of Senator Ben Nelson (D-Neb.) reveals a far worse outcome for taxpayers. True, Nelson’s state no longer gets its sweetheart deal, but the new formula used to allocate Medicaid funding leaves federal taxpayers responsible for covering 90 percent of the cost of the Medicaid expansion for every state. It also includes special Medicaid funding increases for 17 states and Washington D.C. It’s a sweetheart deal for everyone—except taxpayers, who will have to pick up the tab.

Also, when combined with the effects of the healthcare reform bill that has already been signed into law, the reconciliation bill would increase taxes by \$569 billion. The worst of these tax hikes include a hike from 15 to 24 percent on capital gains and a hike from 15 to 43 percent on dividends. This is one of the most anti-job, anti-growth tax increases imaginable because it hits business owners who create jobs and it makes it harder for them to raise the extra money needed to expand. Taxing the reward those who risk their savings by investing may—or may not—get only discourages such growth-creating activities. Under the reconciliation bill, businesses will also be hit with harsher penalties for not abiding by the government enforced employee mandate. The bill raises the penalty on employers from \$750 per uncovered employee to \$2,000 per uncovered employee.

Tax hikes and additional burdens on job creators like these are the opposite of what our economy needs. They will lead to further job loss and less economic growth.

We will count your vote on H.R. 4872 as a KEY VOTE when calculating the FreedomWorks Economic Freedom Scorecard. The Economic Freedom Scorecard is used to determine eligibility for the Jefferson Award, which recognizes members of Congress with voting records that support economic freedom.

Sincerely,

A handwritten signature in blue ink that appears to read "Matt Kibbe".

Matt Kibbe
President and CEO
FreedomWorks



FreedomWorks

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